

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Royal Truck Body

California Manufacturing Technology Consulting

Royal Truck Body Increased Sales \$25 Million After Working With CMTC

Client Profile:

Royal Truck Body, founded in 1971, manufactures service truck bodies on Ford, Dodge and Chevrolet chassis, and markets the vehicles to dealers of those franchises. The dealers sell the vehicles for use in commercial, industrial, utility, service, contractor and flatbed-stake body truck applications. Royal Truck Body employs 375 people at its facility in Paramount, California.

Situation:

Royal Truck Body's management needed to implement Lean manufacturing techniques to improve efficiencies and optimize processing of products and information flow through its supply chain in order to improve its competitive advantage. The company contacted California Manufacturing Technology Consulting (CMTC), a NIST MEP network affiliate, for help.

Solution:

CMTC conducted a site visit, and several areas of improvement were identified including leadership training, material handling, batch processing, inventory management, set-up reduction and production scheduling. An action plan was developed based on prioritized opportunities for improvement throughout the enterprise. CMTC began with an analysis of the present state and prepared a Value Stream Map (VSM) for assessing future state improvements. A training curriculum was then identified that addressed the basic Lean manufacturing principles and "soft skills" training in communication, leadership, leading change, problem solving and team building. Soft skills training was conducted using the Achieve Global training program. The project provided a comprehensive understanding of Lean manufacturing principles and created a prioritized action plan that identified strengths, constraints and areas of opportunity for improvement. This also provided leadership training for a select group of managers and leaders. The projects resulted in improved communications, reduced missed ship dates and increased efficiency, increased sales and overall cost savings.

Results:

- * Increased sales by \$25 million.
- * Realized \$250,000 in cost savings.
- * Invested over \$1 million in new plant and equipment.
- * Created 57 new jobs.

Testimonial:

"We were able to save \$250,000 and increase our sales \$25 million after working with CMTC."

Marc San Paolo, Project Manager

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